MARKET MONITORING FOR THE KENYA CASH CONSORTIUM RESPONSE TO THE DESERT LOCUST INVASION AND FOOD INSECURITY

JANUARY-MARCH 2021, ASAL Counties of Kenya

Funded by European Union Civil Protection and Humanitarian Aid

BACKGROUND

The arid and semi-arid lands (ASAL) counties are currently experiencing multiple shocks to their livelihoods and food security. While people's health is threatened by the ongoing COVID-19 pandemic, the approaching agricultural season is endangered by a combination of the desert locust infestation, dry spells and floods that are impacting already vulnerable communities and further increasing food insecurity in the area.[1]

The desert locust infestation has contributed to the Integrated Phase Classification (IPC) projection of over 985,000 people in Phase 3 (crisis) and Phase 4 (emergency) in 23 ASAL counties of Kenya between April and July 2021[2] and the effect of the infestation is expected to continue being felt at community level by farmers, pastoralists and agropastoralists.[3]

Despite the COVID-19 containment measures put in place by the Kenyan government since the first cases were reported, Kenya continued to report new infection cases. In January 2021, 4,159 new COVID-19 cases were reported The reported number of new COVID-19 cases increased to 5,117 in February and 27,993 in March 2021[4] This pandemic has potentially caused a disruption in food prices, income and livelihoods across the country.[5]

To understand the local market systems and inform humanitarian programming in light of the desert locust invasion, dry spells, floods and the COVID-19 pandemic, IMPACT Initiatives, in coordination with the Kenya Cash Consortium (KCC) led by ACTED in partnership with Oxfam and Concern Worldwide (CWW), conducted the 8th, 9th, and 10th round of market monitoring in local markets in Turkana, Mandera, Samburu, Isiolo, Marsabit, Wajir, Garissa and Tana River counties. These rounds of market monitoring were conducted in the months of January, February and March 2021 respectively. They were preceded by round seven, six, five, four, three, two and one.

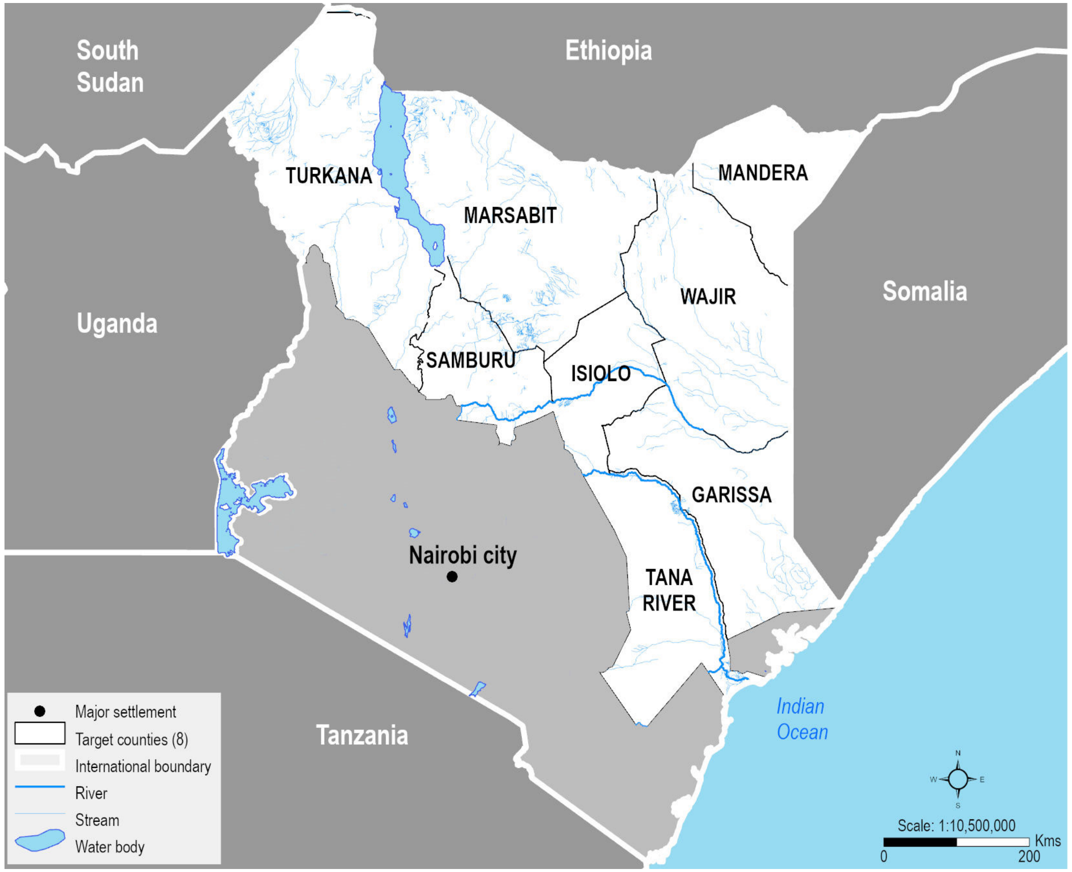
The KCC works with local implementing partners including: The Pastrolists Girls Initiative (PGI) and Arid Lands Development Focus (ALDEF) in Garissa and Tana River respectively, The Pastoralists Community Initiative and Development Assistance (PACIDA) and Sustainable Approaches for Community Empowerment (SAPCONE) in Marsabit and Turkana respectively on behalf of CWW, Merti Intergrated Development Programme (MIDP) and Wajir South Development Association (WASDA) in Isiolo and Wajir respectively on behalf of Oxfam and Rural Agency for Community Development and Assistance (RACIDA) in Mandera on behalf of ACTED. In Samburu, ACTED is implementing the activities directly.

This factsheet presents an overview of the median prices and the change in median prices of food items and non-food items (NFIs), demand and supply challenges, and other market challenges experienced by local community members and vendors in the assessed ASAL counties in light of these multiple shocks. The findings are **indicative** of the assessed locations and the timeframe in which the data was collected.

METHODOLOGY

Interviews were conducted by phone with vendors selling basic food items and NFIs in the eight target ASAL counties in Kenya. Vendors were asked to list the prices of fuel, food, and NFI components of the minimum expenditure basket (MEB), and to report on challenges faced and local coping mechanisms in the light of the multiple shocks to their livelihoods. All prices were recorded in Kenya shillings (KES). A total of **398, 302** and **366** vendor key informants (KIs)[6] were interviewed from 19 to 22 January, 15 to 18 February, and 16 to 20 March respectively.[7]

ASSESSED ASAL COUNTIES



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Change in median prices for food and NFIs, between January and March 2021

	Assessed items	January (KES)[8]	February (KES)[8]	March (KES)[8]	(Jan-Mar) % Change (KES)[8]
Food items	White maize 1Kg	80	70	100	25% ▲
	Maize flour 1Kg	70	80	80	14% ▲
	Sugar 1Kg	120	120	110	-8% ▼
	Beans 1Kg	120	120	120	0%
	Salt 500gm	20	20	20	0%
	Onions 1Kg	120	100	100	-17% ▼
	Kales 1Kg	80	60	50	-38% ▼
	Vegetable oil 1L	200	200	200	0%
	Cowpeas 1Kg	130	130	130	0%
	Wheat flour 1Kg	80	80	80	0%
	Tea Leaves 50gm	20	20	20	0%
	Traditional vegetables	200	100	100	-50% ▼
	Rice 1Kg	100	100	100	0%
	Pigeon peas 1Kg	120	140	120	0%
	Spinach 1Kg	80	50	50	-38% ▼
	Cattle milk 1L	100	100	100	0%
NFIs	Pen 1pc	10	10	10	0%
	Pencil 1pc	10	10	10	0%
	Rubber 1pc	10	10	10	0%
	Sanitary pads 8 pack	100	100	100	0%
	Jerrycan 20L	200	200	200	0%
	Cloth masks 1pc	50	50	50	0%
	Surgical masks 1pc	100	50	100	0%
	Bucket 20L	200	200	200	0%
	Kerosene 1L	120	120	120	0%
	Bar soap 200gm	20	30	30	50% ▲
	20L jerrycan with clean water	25	20	25	0%
	32 pages A5 excercise book	15	15	20	33% ▲
	Firewood 1 bundle	150	150	150	0%

On average, the prices of most food items and NFIs were found to have remained stable, despite multiple shocks affecting the assessed ASAL counties. The price of traditional vegetables decreased by half and the price of kales and spinach decreased by 38%, likely due to sustained water pans resulting from the October to December short rains that allowed farmers to water their crops into March 2021[9].

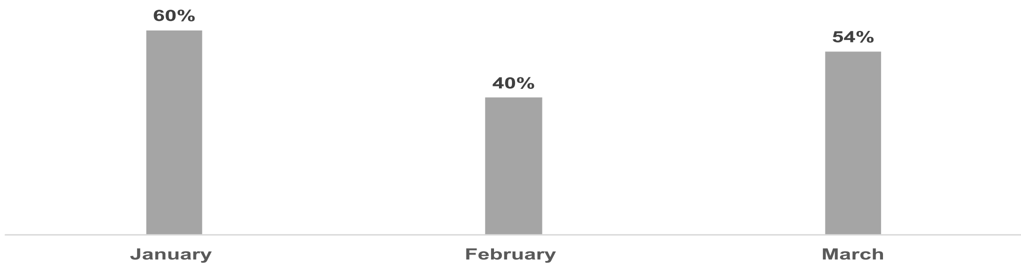
Percentage change in median prices for food and NFIs between January and March 2021, per county

	Assessed items	Isiolo	Mandera	Marsabit	Samburu	Wajir	Turkana	Garissa	Tana river
Food items	White maize 1Kg	-28% ▼	67% ▲	0	13% ▲	29% ▲	9% ▲	0	0
	Maize flour 1Kg	0	-20% ▼	0	13% ▲	0	0	0	-17% ▼
	Sugar 1Kg	0	0	-8% ▼	0	0	0	0	-17% ▼
	Beans 1Kg	0	0	8% ▲	0	0	20% ▲	0	-17% ▼
	Salt 500gm	0	-50% ▼	0	0	100% ▲	0	0	0
	Onions 1Kg	0	0	8% ▲	-35% ▼	0	25% ▲	0	-25% ▼
	Kales 1Kg	25% ▲	-20% ▼	0	-25% ▼	-50% ▼	0	13% ▲	0
	Vegetable oil 1L	15% ▲	0	-5% ▼	11% ▲	0	10% ▲	25% ▲	22% ▲
	Cowpeas 1Kg	-23% ▼	8% ▲	7% ▲	10% ▲	-13% ▼	-10% ▼	0	-13% ▼
	Wheat flour 1Kg	-6% ▼	-20% ▼	0	14% ▲	13% ▲	0	0	-25% ▼
	Tea Leaves 50gm	0	-33% ▼	0	0	0	0	0	0
	Traditional vegetables	20% ▲	0	-50% ▼	N/A	-10% ▼	N/A	N/A	-20% ▼
	Rice 1Kg	0	0	0	11% ▲	0	20% ▲	0	-10% ▼
	Pigeon peas 1Kg	7% ▲	-17% ▼	0	N/A	8% ▲	0	N/A	N/A
	Spinach 1Kg	0	0	0	-25% ▼	-50% ▼	N/A	13% ▲	0
	Cattle milk 1L	-10% ▼	0	0	0	0	20% ▲	0	-6% ▼
NFIs	Pen 1pc	0	0	-33% ▼	0	0	0	0	0
	Pencil 1pc	-25% ▼	0	0	0	0	0	0	-50% ▼
	Rubber 1pc	0	0	0	0	0	-14% ▼	0	-50% ▼
	Sanitary pads 8 pack	0	0	0	0	0	0	0	-10% ▼
	Jerrycan 20L	-20% ▼	-20% ▼	0	0	0	0	0	0
	Cloth masks 1pc	0	0	0	N/A	0	0	0	0
	Surgical masks 1pc	0	0	0	-50% ▼	0	0	0	0
	Bucket 20L	25% ▲	-20% ▼	0	0	0	0	0	0
	Kerosene 1L	-13% ▼	-20% ▼	-7% ▼	-5% ▼	0	13% ▲	8% ▲	10% ▲
	Bar soap 200gm	0	0	20% ▲	0	0	0	0	0
	20L jerrycan with clean water	-25% ▼	-17% ▼	- 80% ▼	0	43% ▲	-50% ▼	N/A	33% ▲
	32 pages A5 exercise book	33% ▲	100% ▲	0	0	0	0	0	0
	Firewood 1 bundle	25% ▲	-17% ▼	0	N/A	0	25% ▲	0	0

Findings indicate that some food and NFIs in some counties had considerable median price changes between January and March. For instance, Mandera county was found to have had the highest percentage increase (67%) in the price of white maize. The reported prices of vegetable oil aslo went up in five of the eight assessed counties, indicating a possible increase of production cost or transportation cost of vegetable oil, among other multiple shocks negatively affecting ASAL counties. The reported price of an exercise book went up by 33% and 100% in Isiolo and Mandera respectively, likely due to re-opening of schools in January.

MARKET SUPPLY AND DEMAND CHALLENGES BETWEEN JANUARY AND MARCH 2021

The % of KIs who reported facing restocking challenges



Overall, the proportion of KIs who reportedly encountered restocking challenges decreased from 60% in January to 54% in March. Among those KIs who reported having faced challenges in restocking in March, the most commonly reported challenge was movement restrictions (67%).

	January	February	March
Restriction of movement	74%	65%	67%
Lack of a means of transport	71%	46%	51%
Shortage of commodities	53%	56%	50%
Increased prices of commodities	61%	56%	41%
Cannot afford to restock	33%	21%	23%
Unusable roads	24%	22%	8%
Theft and damage of commodities	19%	14%	7%

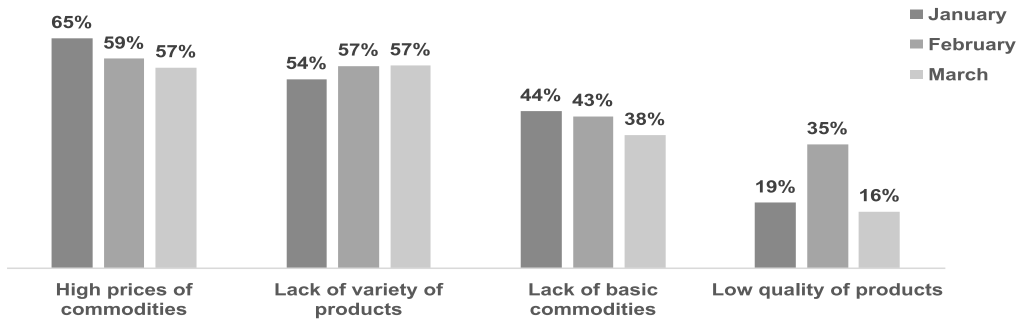
All KIs in the assessed ASAL counties reported perceiving that community members experience challenges while accessing major markets. In January and March, a relatively high proportion of KIs (59% and 60% respectively) reportedly perceived the fear of contracting COVID-19 by community members as a hindrance to accessing the major markets. However, in February, KIs most commonly reported the long distance to major markets as a challange that community members faced.

Most commonly reported challenges faced by people accessing markets, by % of KIs:

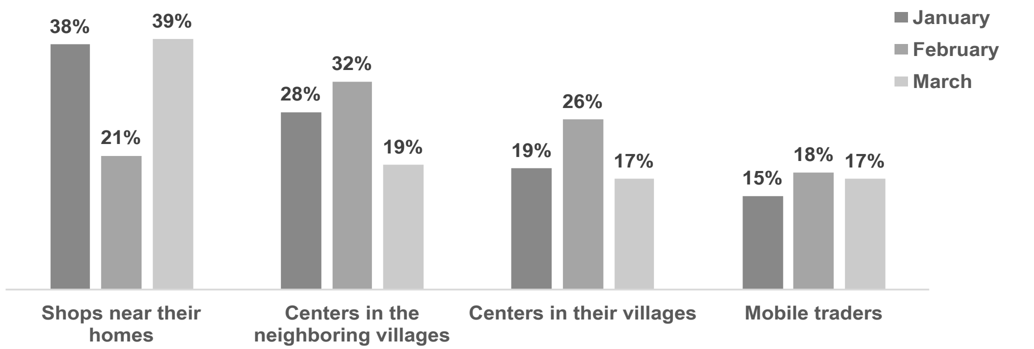
	January	February	March
Fear of contracting COVID-19	59%	31%	60%
Long distance	56%	64%	42%
Low purchasing power	50%	47%	40%
Products are too expensive	46%	42%	38%
Restricted opening hours	30%	21%	31%
Lack of items in the market	35%	26%	26%

A relatively high proportion of community members reportedly source their goods and services from shops near their homes when major markets are inaccessible, as reported by a relatively high proportion of KIs (38% and 39% in January and March respectively). However, such alternative sources are likely accompanied by additional challenges for local communities, such as relatively higher priced commodities and a lack of basic commodities. In March, both these challenges were reported by 57% of KIs.

Most commonly reported challenges faced by community members when major markets are inaccessible by % of KIs:

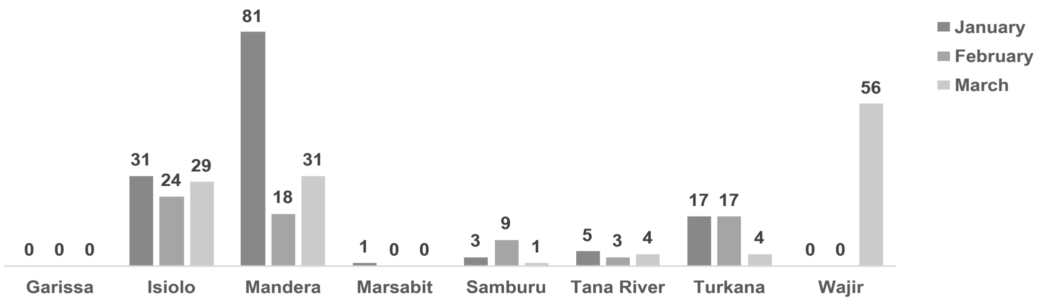


Alternatives to major markets for community members to access goods and services when major markets are inaccessible, by % of KIs:



In March, 56% of the KIs reported the number of customers purchasing from their shops having changed in the 30 days prior to data collection. This was a decrease from 65% of KIs who reported change in the numbers of customers in January and 49% who reported change in February. Out of those KIs who had perceived a change in the customers purchasing from their shops, the proportion reporting a decrease in the number of customers had dropped from 74% in January to 68% in March. Mandera county was found to have the highest number of businesses that closed down in January (81). Wajir County also had a relatively high number of businesses that closed down in March (56). However, we cannot fully compare the number of businesses that closed down in each of the counties as we do not know the size of each market.

Total number of businesses that had reportedly closed down in the 30 days prior to data collection:

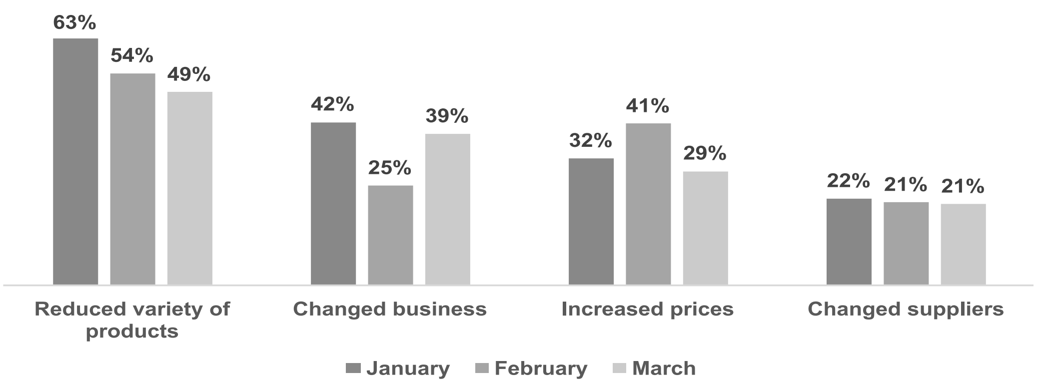


MARKET CHALLENGES IN LIGHT OF THE DESERT LOCUST INVASION, COVID-19 PANDEMIC, DRY SPELLS AND FLOODS

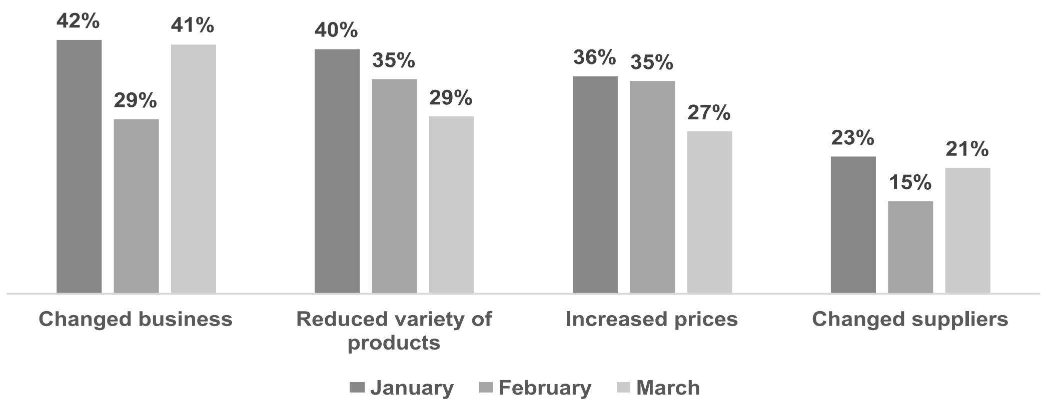
The advent of COVID-19 and other shocks in the assessed ASAL counties has likely driven increases in the prices of food items and NFIs, likely indicating that these multiple shocks could have negatively affected markets. On average, 62% of KIs reported having perceived changes in prices of items between January and March. Of those who perceived price changes, 67% reported an increase in the price of items. In addition to price changes, 51% of KIs reported having experienced a negative impact on the availability of some key items (down from 60% in January). The food items of which the availability in the market emerged as the most negatively impacted included wheat flour, white maize, maize flour, rice and sugar.

As part of the survey, all KIs were asked to list the coping strategies used by vendors and by farmers during the desert locust invasion. A larger proportion (63%) of vendors commonly reduce the variety of products as a coping mechanism. Other commonly reported coping mechanisms by vendors included changing the business, increasing prices of items and changing suppliers.

Most commonly reported coping strategies used by vendors during the desert locust invasion by % of the KIs



Most commonly reported coping strategies used by farmers during the desert locust invasion by % of the KIs



LIMITATIONS

- All findings are indicative rather than representative of the affected communities in the ASAL counties. Therefore findings should ideally be triangulated with other sources before being used to inform programming.
- All numeric figures are averages of estimates given by vendors at the time of data collection. Additional data cleaning has been done to remove outliers.
- For some questions, KIs were asked to recall events over a 30 day recall period. This is a relatively long period of time, which might somewhat impact the accuracy of answers.

End Notes

1.The Food Security Cluster, The Triple threat for East Africa, retrieved from here
2.The Food and Agriculture Organisation of the United Nations (FAO), Locusts watch, retrieved from here
3.The IPC East and horn of Africa, IPC food security phase classification, desert locusts & COVID-19, 19th May 2020, retrieved from here.
4. Ministry of health, press statement on COVID-19, January 31, 2021, February 28, 2021, March 31,2021
5. Cable News Network (CNN), Kenya extends corona virus curfew until January 2021, retrieved from here
6. All vendor key informants are retailers.
7. The data reported in this report is a comparison of data from January (R8), February (R9), and March 2020 (R10).
8. 1 USD = 108.03485 KES in January 2021, 1 USD = 110.71872 KES in February 2021, 1 USD = 108.729 KES in March 2021.
9. Kenya Food Security Outlook, retrieved from here
10. FAO, Country briefs retrieved from here.

IMPLEMENTING PARTNERS

ASAL HUMANITARIAN NETWORK *Building Resilient Communities*

RACIDA Building Resilient Communities for Sustainable Development

Pastoralist Girls Initiative *Empowering Girls, Saving Communities*

PACIDA Pastoralist Community Initiative and Development Assistance Building on Indegineous Knowledge and Institutions

ALDEF KENYA VOLUNTARY SERVICE TO HUMANITY

Merti Intergrated Development Program Collective Action: Better Society

WASDA FOR THE PEOPLE OF THE HORN OF AFRICA

SAPCONE EMPOWERING MARGINALIZED COMMUNITIES